

First Union Rail Corporation

One O'Hare Center
6250 River Road, Suite 5000
Rosemont, Illinois 60018-4214
847 318-7575
Fax 847 318-7588

VIA FEDERAL EXPRESS



June 4, 1998

RECORDATION NO. 21452 FILED
JUN 5 '98 12-51 PM

Surface Transportation Board
Attn: Jan Fort
1925 K Street, N.W., Room 704
Washington, DC 20423-0001

Re: Memorandum of Lease Agreement

Dear Ms. Fort:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals and two (2) copies of a Memorandum of Lease Agreement, dated December 26, 1997, a primary document as defined in the Board's Rules for the Recordation of Documents. The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: Bangor and Aroostook Railroad
North Maine Junction Park
RR 2 Box 45
Bangor, ME 04401-9602

A description of the railroad equipment covered by the enclosed document is set forth on Exhibit A, as attached to such Memorandum.

Also enclosed is a check in the amount of \$26.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned.

If you have any questions or concerns regarding the above-referenced matter, please feel free to contact me at (847) 384-5355. Thank you for your cooperation in this matter.

Very truly yours,


Susan Grokulskey
Manager – Documents Administration

Enclosures

(BAR010)

ASSIGN: BAR010

MEMORANDUM OF LEASE

RECORDATION NO. 21452 FILED
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THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 26th day of December, 1997, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Bangor and Aroostook Railroad, a Maine corporation ("Lessee").

W I T N E S S E T H:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement, dated as of October 1, 1994, whereby Lessor has agreed to lease to Lessee certain railcars being described in more particular on Exhibit A attached, hereto, effective as of the date set forth above and subject to the terms, conditions and provisions of said Lease.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

By: [Signature]

Name: _____

JACK THOMAS
President

Title: _____

ATTEST:

By: Michelle Berg

Name: Michelle Berg

Title: Office Manager

Executed on this 8th day of May, 1998.

[CORPORATE SEAL]

STATE OF Illinois

COUNTY OF Cook

I, Michelle Berg, a Notary Public in and for said state and county, certify that John J. Thomas personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 8th day of May, 1998.

Michelle Berg
Notary Public

My Commission Expires:



LESSEE:


BANGOR AND AROOSTOOK RAILROAD
COMPANY

By: 

Name: DANIEL R. SABIN

Title: VICE PRESIDENT - CHIEF OPERATING OFFICER

ATTEST:

By: 

Name: KARL R. ZIEBARTH

Title: VICE PRESIDENT & SECRETARY

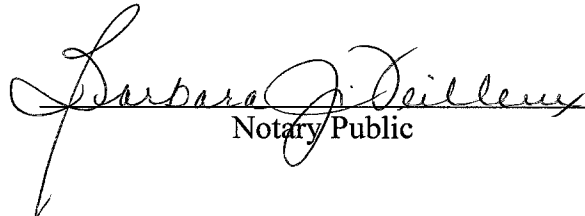
[CORPORATE SEAL]

STATE OF Maine

COUNTY OF Penobscot

I, Barbara J. Veilleux, a Notary Public in and for said state and county, certify that Daniel R. Sabin personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 27th day of April, 1998.


Notary Public

My Commission Expires:

(Notary Public)

Barbara J. Veilleux
Notary Public - State of Maine
My commission expires June 6, 2002

EXHIBIT A
To Memorandum of Lease

Forty (40) 73 ft. Centerbeam Flatcars

Car Numbers

NOKL 733500
NOKL 733501
NOKL 733502
NOKL 733503
NOKL 733504
NOKL 733505
NOKL 733506
NOKL 733507
NOKL 733508
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